GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA

UNSTARRED QUESTION NO:705
ANSWERED ON:28.07.2005
STRATEGY TO INCREASE MARKET SHARE IN FREIGHT TRAFFIC
Lahiri Shri Samik

Will the Minister of RAILWAYS be pleased to state:

(a) whether the Railways has evolved a multi-pronged strategy to increase its market share in freight traffic in view of tough competition from the road sector; and

(b) if so, the details thereof ?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI R. VELU)

(a) Yes, Sir.

(b) A statement is attached.

STATEMENT REFERRED TO IN REPLY TO PART (b) OF THE UNSTARRED QUESTION NO. 705 BY SHRI SAMLIK LAHIRI TO BE ANSWERED IN LOK SABHA ON 28.07.2005 REGARDING STRATEGY TO INCREASE MARKET SHARE IN FREIGHT TRAFFIC .

(b) In order to generate additional revenue for Indian Railways and to win back the piecemeal traffic lost to the road sector many initiatives have been taken by Indian Railways. Wagon Investment Scheme (WIS) have been introduced to cater to the need of increasing freight traffic and demand for wagons. Siding rules have been further liberalized and made more customer friendly to restore the confidence of siding owners and encourage more loading. A new scheme for development of rail-side warehousing Complexes through public-private partnership have also been introduced. Under the scheme the private player will club the piecemeal traffic and offer it in trainloads / wagon load to railways for transportation hence, diverting the traffic moving through road to rail. Further, with a view to generate additional traffic from sidings in the notified empty flow directions of wagons a concession of 20% in freight rates shall be granted for incremental traffic booked from the siding. A concession of 15% in freight rates shall also be granted to incremental traffic booked from sidings, during the non- peak period from July to September.